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# HOUSE BILL No. 1370

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-2-21.

**Synopsis:** Clean fuel vehicle deduction. Provides that an individual is entitled to an income tax deduction for the purchase or lease of a new clean fuel vehicle.

**Effective:** January 1, 2008.

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### Stevenson

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January 16, 2007, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1370

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-3-2-21 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2008]: **Sec. 21. (a) As used in this section, "alternative  
4 fuel vehicle" means a motor vehicle that is equipped to operate  
5 when fueled entirely by E85 (as defined in IC 6-6-1.1-103).**

6 **(b) As used in this section, "clean fuel vehicle" means an electric  
7 vehicle, a hybrid vehicle, or an alternative fuel vehicle. The term  
8 does not include a golf cart vehicle.**

9 **(c) As used in this section, "electric vehicle" means a motor  
10 vehicle with one (1) or more electric motors for propulsion.**

11 **(d) As used in this section, "hybrid vehicle" means a motor  
12 vehicle that:**

13 **(1) draws propulsion energy from both an internal  
14 combustion engine and an energy storage device; and**

15 **(2) employs a regenerative braking system to recover waste  
16 energy to charge the energy storage device that is providing  
17 propulsion energy.**



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1 (e) As used in this section, "motor vehicle" has the meaning set  
2 forth in IC 6-6-1.1-103.

3 (f) An individual is entitled to a deduction from the individual's  
4 adjusted gross income for each clean fuel vehicle that the  
5 individual:

6 (1) purchased; or

7 (2) obtained by entering into a lease agreement (as defined in  
8 IC 9-23-2.5-4);

9 during the taxable year.

10 (g) The original use of the clean fuel vehicle for which an  
11 individual is claiming the deduction provided by this section must  
12 begin with the individual who claims the deduction.

13 (h) The amount of the deduction is equal to one thousand five  
14 hundred dollars (\$1,500).

15 (i) To obtain the deduction provided by this section, the  
16 individual must:

17 (1) claim the deduction on the individual's state tax return or  
18 returns in the manner prescribed by the department; and

19 (2) submit to the department proof of all information that the  
20 department determines is necessary to support the  
21 individual's claim of purchase or lease of a clean fuel vehicle  
22 during the taxable year.

23 (j) An individual is not entitled to a deduction under this section  
24 if the clean fuel vehicle for which the deduction is being claimed  
25 was purchased for the purpose of resale.

26 SECTION 2. [EFFECTIVE JANUARY 1, 2008] IC 6-3-2-21, as  
27 added by this act, applies to taxable years beginning after  
28 December 31, 2007.

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